

Fiscal Estimate - 2023 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 23-4680/1	Introduction Number AB-0797
-----------------------------	------------------------------------

Description
 personal hygiene products for inmates of state correctional institutions and county jails and houses of correction and making an appropriation

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	
<input checked="" type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs	5. Types of Local Government Units Affected	
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
1. <input checked="" type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs	4. <input checked="" type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

Agency/Prepared By DOC/ Michael Slana (608) 240-5414	Authorized Signature Anna Neal (608) 228-1331	Date 2/5/2024
--	---	-------------------------

Fiscal Estimate Narratives

DOC 2/5/2024

LRB Number	23-4680/1	Introduction Number	AB-0797	Estimate Type	Original
Description personal hygiene products for inmates of state correctional institutions and county jails and houses of correction and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

****STATE****

This bill requires the Department of Corrections (DOC) to provide all of the following personal hygiene products in each state correctional institution commissary:

1. At no more than 125 percent of the sales price of the product at the highest-grossing retail chain in the state, at least two varieties of the following personal hygiene products: deodorant, antiperspirant, shampoo, hair conditioner, liquid body wash, bar soap, body lotion, face wash, facial lotion, toothpaste, toothbrush, dental floss, razor, shaving cream, sunscreen, comb, hairbrush, and cleansing wipes.
2. At no more than 100 percent of the sales price of the product at the highest-grossing retail chain in the state, at least two varieties of the following culturally sensitive personal hygiene products: shampoo, conditioner, natural hair oil, and shaving cream that are appropriate for types 2, 3, and 4 hair, bar soap, and cocoa-butter-based body lotion.

The bill also requires DOC to provide each inmate with a monthly personal hygiene stipend of \$25 to purchase personal hygiene products from the commissary. The bill provides \$6,450,000 to DOC in FY24 and FY25 to provide personal hygiene stipends.

The bill also requires sheriffs to provide the same personal hygiene products in the commissaries of county jails and houses of correction at the prices established by DOC for those products in state correctional institutions and requires sheriffs to provide each inmate with a monthly personal hygiene stipend of \$25 to purchase personal hygiene products from the commissary.

Currently, many institutions provide Persons in our Care (PIOC) with hygiene products for free. Products provided at no cost include; bath and body soap, toothbrush, shampoo, bandages, shaving cream, dental floss, and shaving razors.

This bill requires the DOC to compare prices to the "highest-grossing retail chain in the state" but does not specify how the Department determines which chain that is or how often the Department is to compare prices. The Department utilizes a contracted vendor with fixed prices for the supply of canteen products, including the products listed in this bill. The Department and vendor are unable to change prices at the pace of a retail environment. Second, the products offered by the canteen vendor can vary widely from products offered by a retail chain. For security considerations, the DOC has strict rules about packaging, such as no glass, no sharp edges, or no long strings. Because of packaging restrictions, the products supplied by the canteen vendor may bear little resemblance to those found in a retail environment, making price comparisons difficult. Finally, if the canteen vendor is required to match or only be 25% above the pricing of a "big box" retailer on comparable products, they will be taking a loss. This may lead to them requesting to terminate the contract, increasing the prices to PIOC's on the products not covered under this bill, asking DOC to subsidize their losses; or some combination of all three.

To implement the \$25 stipend towards hygiene items, each institution's business office will require an additional Financial Specialist - Entry FTE, a total of 20.00 FTE at an annual cost of \$1,647,700 would be needed. The GPR allotment for FY24 and FY25 provides stipend funding for an average daily population (ADP) of 21,500 PIOC's. Through 2023 Act 19, the DOC is projected to have a FY24 ADP of 22,242 PIOC's and FY25 population of 23,249 PIOC's. Providing the hygiene stipend for the additional projected population would cost the Department an additional \$222,600 in operating expenses for FY24 and \$524,7000 in FY25.

Should this bill be enacted with the intent the Department operate on-site commissaries, additional steps would need to be taken. Each institution would need to remodel or build space for the commissary and item storage and hire additional FTE to manage the commissaries. Both of these costs are indeterminate, as the

Department cannot project how many new FTE or if any construction would be required to open commissaries at all facilities.

****LOCAL****

This bill requires DOC to provide various personal hygiene products outlined in the bill at state correctional institution commissaries, and requires DOC to establish prices for each product under various criteria. The bill requires sheriffs to provide the same personal hygiene products in the commissaries of county jails and houses of correction at the prices established by DOC for those products in state correctional institutions, and requires sheriffs to provide each inmate with a monthly personal hygiene stipend of \$25 to purchase personal hygiene products from the commissary.

Every county jail and house of corrections maintains a commissary, with services generally contracted out. If a facility does not already offer multiple varieties of the hygiene products listed in the bill, adding more shouldn't be a problem for the counties, unless the county's vendor doesn't carry different brands, in which case making changes to comply with this bill may result in additional charges or contract renegotiation fees. Prices for items can be more costly compared to what DOC charges for the same or similar items. Current pricing also differs from county to county. Like DOC, the counties also have strict rules regarding item packaging, due to the same security concerns. This bill's requirements that certain personal hygiene products be sold at the prices set by DOC – which, per the bill, would be limited to no more than either 100% or 125% of the applicable retail sales price – would therefore generally reduce the prices charged by the commissaries, resulting in a revenue reduction for the counties. The bill's requirement that inmates be provided a monthly \$25 personal hygiene stipend for the purchase of these items would also significantly increase costs for counties, as currently, jail inmates are only provided a small hygiene kit if they are deemed indigent, and otherwise must purchase any personal hygiene products from the commissary or canteen.

Long-Range Fiscal Implications